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100TH CONGRESS
2d Session

SENATE

REPORT
100-476

NURSE EDUCATION REAUTHORIZATION ACT OF 1988

AUGUST 10, 1988.—Ordered to be printed

Mr. KENNEDY, from the Committee on Labor and Human Resources, submitted the following

REPORT

[To accompany S. 2231]

The Committee on Labor and Human Resources, to which was referred the bill (S. 2231) to amend the Public Health Service Act to reauthorize nurse education programs established under Title VIII of such act, and for other purposes having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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I. SUMMARY OF THE BILL

As reported by the Committee, the bill revises and extends the authorities under title VIII of the Public Health Service (PHS) Act for programs to support the training and education of nurses. Title I of the bill extends and amends existing special project authorities and authorizes new authorities for innovating nursing practice models and nurse recruitment centers. Title II of the bill amends existing authorities which provide assistance to nursing students

S543-16

and authorizes a program of scholarships for undergraduate nurse education.

TITLE I—SPECIAL PROJECTS

The bill amends the authority under section 820 of the PHS Act for Special Project Grants and Contracts. In addition to extending the authority for this program through fiscal year 1991, the bill amends section 820 to include support for grants and contracts for faculty development directed at retention of individuals from disadvantaged backgrounds and for promotion of occupational health care. It also amends existing authority for programs to upgrade skills of licensed vocational or practical nurses, nursing assistants, and other para-professional nursing personnel to give priority to programs providing rapid transition towards achievement of undergraduate nursing degrees by such personnel. The amendment also authorizes assistance to provide education and training to develop curricula for the achievement of baccalaureate or masters degrees in nursing by registered nurses or individuals with baccalaureate degrees in other fields.

The bill amends section 821 of the Act for Advanced Nurse Education to extend the authority through fiscal year 1991 and to authorize an additional priority under the authority for programs with innovative curriculum that permit individuals with registered nursing degrees to rapidly achieve advanced degrees.

The bill extends the authority under section 822 of the Act for Nurse Practitioner and Nurse Midwife Programs for 3 years and amends the minimum enrollment provision to require that such a program have not less than 6 full-time equivalent students. It also amends the service obligations requirement to include service in an Indian Health Service or Native Hawaiian health center, a long-term care facility certified under Medicare or Medicaid, or migrant or community health center.

The bill establishes a new section 823 authorizing two new nursing shortage relief programs. Subsection (a) of the new section 823 authorizes grants and contracts for projects to demonstrate and evaluate innovative nursing practice models in home health care systems and nursing homes. Section 823(b) authorizes grants and contracts for the development, establishment, and operation of regional model nurse recruitment centers to recruit individuals to enter education programs to train professional nurses.

TITLE II—ASSISTANCE TO NURSING STUDENTS

The bill amends section 830 of the Act authorizing Traineeships for Advanced Education of Professional Nurses to extend the authority through fiscal year 1991 and to add a new subsection (c) authorizing grants and contracts for traineeships for nurses pursuing graduate degrees in other disciplines. A recipient of such a traineeship must enter into a commitment to serve for one month for each month of the traineeship in a health manpower shortage area, a long-term care facility certified under Medicare or Medicaid, a community or migrant health center, the Indian Health Service, a Native Hawaiian health center, or a public health care facility.

The bill extends through fiscal year 1991 the authority under section 831 of the Act for nurse anesthetist traineeships. It also expands the existing authority under section 831(b) which authorizes grants to institutions to improve education programs for nurse anesthetists to include also planning, development, and operation of such programs.

The bill establishes a new section 832 of the Act to authorize grants to nursing schools for scholarships to full-time undergraduate nursing students in financial need. Priority in awarding such scholarships, which will cover tutition and fees, shall be given to individuals of disadvantaged backgrounds.

The bill amends the authority for nursing student loans under section 836 of the Act to remove the requirement that such loans be made to students in exceptional financial need and provide that loans may be made to students in need.

II. Background and Need

Nearly 79 percent of the hospitals in the United States had vacancies for registered nurses [RN's] during 1987, a recent survey reports. Of the nearly 1,500 hospitals responding to a survey last December, 78.6 percent reported a need for more nurses. According to the survey, 75 percent of hospitals relied on nurses working overtime and 41 percent employed temporary nurses to meet their needs. The survey, conducted by the American Hospital Association, found that, although some regions of the country are harder hit than others, every State showed a shortage of full-time RN's. An average of 11.3 percent of registered nurse positions were vacant last year, compared with 11 percent the year before. Only 17.6 percent of hospitals reported no openings for nurses. Hospitals have particular difficulty in attracting RN's to high-stress nursing jobs, such as medical/surgical, emergency, psychiatric, and critical and intensive care units. Hospitals report delays of 60 days and more in filling such positions. Hospital administrators trying to hire nursing personnel are increasingly having to travel to such foreign countries as Canada, Ireland, the United Kingdom, Australia, and the Philippines to recruit English-speaking nurses to fill their personnel needs.

In the past, one of the chief reasons for nursing shortages was the large numbers of nurses who were no longer working in the profession; one of the major ways to deal with shortages was to lure these non-practicing nurses back into the health care field. Current statistics, however, show that the numbers of non-practicing RN's are decreasing. In 1977, for instance, there were 1.4 million RN's in the United States, and only 70 percent of them were working in the profession. Currently there are nearly 2 million RN's in the United States and 1.6 million of them, 80 percent, are working in nursing. Those not working include younger women taking time off to start families and older women who haven't worked as nurses for years and who are unlikely to return to the profession.

Declines in nursing school enrollments over the past 5 years are a matter of great concern. The American Association of Colleges of Nursing reports that enrollment in its member schools dropped by

21 percent between 1983 and 1987. The decline in nursing school enrollment has led to the closing of many nursing education programs, including some major university nursing schools.

Salary is a major factor in finding and retaining sufficient numbers of nurses in the profession. The average starting salary for RN's is over $21,000, but the average salary level peaks at about $29,000 after less than 10 years. In addition, nurses, hospital nurses in particular, often work under difficult conditions and receive little professional recognition for the importance of the job they perform. With many other careers open to women that were not readily available to them 20 or 30 years ago, it is probably not surprising that so many women choose to leave the profession or not to enter it.

The Federal Government has supported nurse training since the 1930's but the first comprehensive Federal legislation to provide funds for nursing education was enacted in 1964 with Public Law 88-581, the Nurse Training Act. This legislation added a new title VIII to the PHS Act, and authorized grants to assist in construction of teaching facilities, grants for special projects to strengthen nurse education programs, formula payments to diploma schools of nursing, and the extension of an existing professional nurse traineeship program. Subsequent legislation in ensuing years extended these authorities and established new programs of support for nurse training. Increases in the overall supply of nurses over the past 20 years led to changes in the focus of the nurse training program under title VIII. Although the authority provides essentially two kinds of assistance—institutional support for nursing schools and financial assistance for nursing students, the nature of such assistance has changed. Such programs as grants for construction and formula payments to diploma schools have been dropped, and the focus of the program in recent years has been on advanced nurse training, such as training for nurses as educators, supervisors, administrators, researchers, and nursing specialists.

The Administration has proposed for several years eliminating funding for title VIII nurse training programs, contending that such Federal support was no longer needed because of projected national surpluses of nurses and their improving geographic distribution. The Congress, however, has rejected this view and has consistently supported nurse training programs. Last year, this Committee, increasingly concerned about a nursing shortage more severe and widespread than any previously reported, reported a bill, S. 1402, which was designed to reduce the shortage of professional nurses in the United States. The bill, which was passed by the Senate, established a new Part D of title VIII—Initiatives to Reduce Nursing Shortages. In addition to authorizing grants and contracts to demonstrate and evaluate innovative nursing practice models and establish model professional nurse recruitment centers, the bill directs the Secretary of HHS to establish a special advisory committee to develop a plan specifying long-term solutions to the problems of hospitals and other health care institutions in recruiting and retaining professional nurses.

S. 1402 received no further action during the first session of the 100th Congress, but in December of 1987, the Secretary of Health and Human Services, Dr. Otis Bowen, appointed a blue ribbon com-

mission chaired by Carolyne Davis, former head of the Health Care Financing Administration, to identify nurse shortage problems and recommend solutions. The Commission's final report to the Secretary is due in December of this year.

III. TEXT OF THE BILL AS REPORTED

[S. 2231, 100th Congress]

A BILL To amend the Public Health Service Act to reauthorize nurse education programs established under title VIII of such Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nurse Education Reauthorization Act of 1988".

TITLE I—SPECIAL PROJECTS

SEC. 101. SPECIAL PROJECT GRANTS AND CONTRACTS.

(a) PURPOSES.—Section 820(a) of the Public Health Service Act (42 U.S.C. 296k(a)) is amended—

(1) paragraph (1)—

(A) by striking out "and" at the end of subparagraph (E);

(B) by inserting "and" after the semicolon at the end of subparagraph (F); and

(C) by adding at the end thereof the following:

"(G) provide faculty development directed at improving the ability of faculty to facilitate retention of such individuals;";

(2) in paragraph (5), by striking out "and the need to promote preventive health care" and inserting in lieu thereof ", the need to promote preventive health care, and the need to promote occupational health care"; and

(3) by striking out paragraph (6) and inserting in lieu thereof the following new paragraph:

"(6) provide training and education—

"(A) to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel with priority given to rapid transition programs towards achievement of undergraduate nursing degrees; and

"(B) to develop curricula for the achievement of baccalaureate degrees in nursing or masters degrees in nursing by registered nurses or individuals with baccalaureate degrees in other fields;".

(b) AUTHORIZATION.—Section 820(d) of such Act is amended—

(1) in paragraph (1), by striking out the first sentence and inserting in lieu thereof the following new sentence: "For payments under grants and contracts under paragraphs (1) through (6) of subsection (a), there are authorized to be appropriated $15,000,000 for fiscal year 1989, $16,000,000 for fiscal year 1990, and $17,000,000 for fiscal year 1991."; and

(2) in paragraph (2), by striking out the first sentence and inserting in lieu thereof the following new sentence: "For pay-

ments under grants and contracts under paragraphs (7), (8), and (9) of subsection (a), there are authorized to be appropriated $4,200,000 in fiscal year 1989, $4,700,000 in fiscal year 1990, and $5,200,000 in fiscal year 1991.".

SEC. 102. ADVANCED NURSE EDUCATION.

(a) PURPOSES.—The last sentence of section 821(a) of the Public Health Service Act (42 U.S.C. 2961(a)) is amended—

(1) by striking out "priority in" and inserting in lieu thereof "priority to (A)"; and

(2) by inserting before the period at the end thereof the following: "and (B) programs with innovative curriculum that permit individuals with registered nursing degrees to rapidly achieve advanced degrees".

(b) AUTHORIZATION.—Subsection (b) of section 821 of such Act is amended to read as follows:

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated $19,500,000 for fiscal year 1989, $20,500,000 for fiscal year 1990, and $21,500,000 for fiscal year 1991.".

SEC. 103. NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS.

(a) TRAINING.—Section 822(a)(2)(B)(ii) of the Public Health Service Act (42 U.S.C. 296m(a)(2)(B)(ii)) is amended by striking out "less than eight" and inserting in lieu thereof "less than six full-time equivalent".

(b) TRAINEESHIPS.—Section 822(b)(3) of such Act is amended—

(1) by inserting "Indian Health Service or a Native Hawaiian health center" after "(designated under section 322)"; and

(2) by striking out "or in a public health care facility" and inserting in lieu thereof ", a public health care facility, a migrant health center (as defined in section 329(a)(1)), or a community health center (as defined in section 330(a))".

(c) GUIDELINES.—Section 822(c) of such Act is amended by inserting "under subsection (a) or (b)" after "a program".

(d) AUTHORIZATION.—Subsection (d) of section 822 is amended to read as follows:

"(d) For payments under grants and contracts under subsections (a) through (c), there are authorized to be appropriated $19,000,000 for fiscal year 1989, $20,000,000 for fiscal year 1990, and $21,000,000 for fiscal year 1991.".

SEC. 104. NURSING SHORTAGE RELIEF PROGRAMS.

Part A of title VIII of the Public Health Service Act (42 U.S.C. 820 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 823. NURSING SHORTAGE RELIEF PROGRAMS.

"(a) LONG-TERM CARE NURSING PRACTICE DEMONSTRATION.—

"(1) IN GENERAL.—The Secretary shall make grants to or enter contracts with public and nonprofit private collegiate schools of nursing for projects to demonstrate and evaluate innovative nursing practice models with respect to the provision of long-term managed health care services and health care services in the home or the provision of health care services in long-term care facilities. Models demonstrated and evaluated

with grants and contracts under this subsection shall be designed to increase the recruitment and retention of nurses to provide nursing care for individuals needing long-term care and to improve nursing care in home health care systems and nursing homes.

"(2) AUTHORIZATION.—For grants and contracts under this subsection, there are authorized to be appropriated $2,500,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $3,500,000 for fiscal year 1991.

"(b) NURSE RECRUITMENT CENTERS.—

"(1) IN GENERAL.—The Secretary shall make grants to and enter into contracts with public and nonprofit private entities to develop, establish, and operate at least one and not more than five regional model professional nurse recruitment centers for the purpose of recruiting individuals to enter education programs to train professional nurses. In making grants and entering into contracts under this subsection, the Secretary shall ensure that centers developed, established, and operated under this subsection include centers in rural areas.

"(2) DUTIES.—Each center developed, established, or operated with a grant or a contract under this subsection shall—

"(A) conduct nursing recruitment programs directed towards—

"(i) individuals between the ages of 12 and 14 years of age;

"(ii) individuals who are enrolled in high schools;

"(iii) individuals enrolled in colleges and universities who have not declared a major field of study; and

"(iv) adults who are not in school and who may desire to enter nursing;

"(B) develop and compile resource materials concerning professional opportunities in nursing, and disseminate such materials to apppropriate individuals and groups, such as community and professional organizations, hospitals, career and guidance counselors in educational institutions, and the print and broadcast media;

"(C) identify potential applicants for nursing education programs and provide information to such potential applicants on the role of the nurse and nursing education programs; and

"(D) promote collaboration among organizations and assist individuals and organizations to establish mentor relationships between professional nurses and potential applicants for nursing education programs.

"(3) AUTHORIZATION.—For grants and contracts under this subsection, there are authorized to be appropriated $2,500,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $3,500,000 for fiscal year 1991.

"(c) APPLICATION REQUIREMENTS.—No grant may be made and no contract may be entered into under this section unless an application therefor is submitted to the Secretary at such time, in such form, and containing such information as the Secretary may prescribe.".

TITLE II—ASSISTANCE TO NURSING STUDENTS

SEC. 201. TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES.

Subsection (c) of section 830 of the Public Health Service Act (42 U.S.C. 297(c)) is amended to read as follows:

"(c)(1) For the purposes of subsection (a), there are authorized to be appropriated $18,000,000 for fiscal year 1989, $19,000,000 for fiscal year 1990, and $20,000,000 for fiscal year 1991.

"(2) For the purposes of subsection (b), there are authorized to be appropriated $1,100,000 for each of the fiscal years 1989 through 1991.".

SEC. 202. NURSE ANESTHETISTS.

The first sentence of section 831(c) of the Public Health Service Act (42 U.S.C. 297-1(c)) is amended to read as follows: "For the purpose of making grants under this section, there are authorized to be appropriated $800,000 for each of the fiscal years 1989 through 1991.".

SEC. 203. TRAINEESHIPS FOR UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES.

Subpart I of part B of title VIII of the Public Health Service Act (42 U.S.C. 297 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 832. SCHOLARSHIPS FOR UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES.

"(a) IN GENERAL.—

"(1) GRANTS.—The Secretary may make grants to accredited public or nonprofit private schools of nursing for scholarships to be awarded by the school to full time undergraduate students thereof who are in financial need.

"(2) AMOUNT OF AWARD.—The total amounts of the scholarship award to a student for each year shall not exceed the cost of attendance (tuition and fees) for such year at the educational institution attended by the student (as determined by such educational institution).

"(3) PRIORITY.—Priority in the awarding of scholarships shall be given to individuals from disadvantaged backgrounds.

"(b) PAYMENTS.—Payments to institutions under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for scholarships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees.

"(c) AUTHORIZATION.—For the purpose of making grants under this section, there are authorized to be appropriated $10,000,000 for fiscal year 1989, $11,000,000 for fiscal year 1990, and $12,000,000 for fiscal year 1991.".

SEC. 204. LOAN PROVISIONS.

Section 836(b)(1)(C) of the Public Health Service Act (42 U.S.C. 297b(b)(1)(C)) is amended by striking out "of exceptional financial" and inserting in lieu thereof "in".

IV. Committee Views

When the Committee reauthorized the Nurse Training Act Amendments in 1979, the legislation commissioned a study by the Institute of Medicine to (in part), "determine the need to continue a specific program of Federal financial support for nursing education." The results of this study, released in early 1983, pointed to geographic misallocations of nursing personnel, and for the first time, noted that a shortage of registered nurses possessing graduate degrees in nursing specialties was apparent. Subsequently, the Nurse Education Amendments of 1985 (S. 1284) provided a new focus for Title VIII programs to reflect this demand. Support for specialized nursing education in the areas of administration, research, primary care, geriatrics, pediatrics, home and community-based nursing, and other areas were addressed in order to recognize the advances in technology and increasing breadth of the nursing sciences.

In the three years subsequent to enactment of S. 1284, the nation has observed an increased demand for the services of nurses in both the acute care environment as well as in home and community-based nursing organizations. The vacancy rate for nursing positions in U.S. hospitals has more than doubled between 1985 and 1986 (from 6.3 to 13.6 percent) according to data released by the American Hospital Association. Findings by the AHA reveal that only 17 percent of U.S. hospitals had no vacancies for registered nurses in 1986. In 1985, more than 35 percent of the hospitals surveyed had no such vacancies. Compounding this increased demand for nurses is a decline in nursing school enrollments. A federal projections model predicts that the demand for baccalaureate-prepared nurses in 1990 will exceed supply by 340 percent, and that the projected shortfall for the year 2000 will be even greater.

The Committee recognizes that many other factors impact upon current shortages of registered nurses, and S. 2231, the "Nurse Education Reauthorization Act of 1988" provides for increased funding levels in areas of nursing education programs where the Committee has identified the greatest need. A total of $94.6 million is authorized for fiscal year 1989, as compared to a fiscal year authorization of $55.6 million. While nursing shortages have tended historically to be evident in certain categories of nursing specialties, the current shortage spans across all specialties as well as geographical areas. In response, the Committee has increased funding for entry-level nursing programs. In addition, to meet the increased demand for nursing specialty services, the legislation maintains support for nursing specialties such as nurse midwifery, nurse practitioners, and gerontological nursing.

While it is the current nursing shortage that has drawn the attention of Congress, the public and media, the Committee continues to recognize the significance of the original Nurse Training Act; namely, federal support for professional nursing education. The programs under Title VIII are provided not only to assure the nation of an adequate supply of registered nurses, but to assure that educational opportunities for general as well as specialty areas of nursing are made available to all qualified students.

S. 2231 has refocused the emphasis of the programs provided under Title VIII. More funds are authorized for undergraduate education of entry-level nurses, emphasizing the need to draw more disadvantaged students to professional nursing, encourage educational opportunites for nursing students pursuing specialty studies in shortage areas such as critical care and gerontological nursing, and to maintain adequate support for nurse practitioners and nurse midwives. In addition, S. 2231 provides for demonstration projects to help assess both the environment nurses work within as well as demonstration projects aimed at increasing the future enrollment rate of registered nurses.

SPECIAL PROJECT GRANTS AND CONTRACTS

S. 2231 reauthorizes the existing provisions and provides support for faculty development directed at improving their ability to retain disadvantaged students in their programs. It has long been a goal to recruit disadvantaged students into nursing programs. The Committee seeks to maintain the emphasis on facilitating the entry of such individuals into schools of nursing. The provision of support for faculty development is equal in importance to the efforts to recruit and admit disadvantaged students into nursing programs, toward the goal in increasing the representation of these individuals in the nursing profession.

Further, S. 2231 amends existing law to promote occupational health care services, a new and growing area of nursing. In support of initiatives to encourage the on-going education of all nursing personnel, S. 2231 amends current law to include a complete educational ladder for nursing personnel. S. 2231 provides the opportunity for educational advancement of licensed vocational/practical nurses, nursing assistants, and other paraprofessional nursing personnel with priority given to rapid transition programs which provide for articulation of past nursing experience and knowledge. The aim of these programs is to foster the education of nursing personnel toward the achievement of an undergraduate degree in nursing.

In addition, S. 2231 provides for rapid transition programs for both associate degree and diploma degree graduates as well as programs which provide for the development of curricula for the achievement of baccalaureate degrees in nursing or masters degrees in nursing by registered nurses or individuals with baccalaureate degrees in other fields. The Committee strongly supports and encourages the educational advancement of nurses at all levels; better trained nurses will provide improved quality of care for patients in hospital and other health care settings.

Other programs maintained under this section of the bill include: continuing education for nurses; appropriate re-training opportunities for nurses not currently practicing nursing; geriatric training in preventive, acute and long-term care; efforts to resolve geographic inequities in the distribution of registered nurses; support for clinical nursing programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities.

Recognizing the importance of special project grants and contracts, S. 2231 authorizes $15 million in fiscal year 1989, $1 million in fiscal year 1990, and $17 million in fiscal year 1991.

ADVANCED NURSE EDUCATION

The Committee continues its commitment to support nurses pursuing advanced education, especially in the area of geriatrics. Support for programs leading to masters or doctoral degrees which prepare nurses to serve as nurse educators, administrators and researchers have proven to be a valuable investment. To reverse the trend of declining enrollments in nursing programs and improve their quality, the Committee recognizes the critical need for highly trained nurse educators and researchers. And nursing environments in hospitals and other health care settings can be greatly enhanced by the employment of well trained nurse administrators. S. 2231 provides $19.5 million for fiscal year 1989, $20.5 million for fiscal year 1990, and $21.5 million for fiscal year 1991.

NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS

S. 2231 maintains grants and contracts for schools of nursing, public health, and medicine, hospitals, and other entities to plan, develop, operate, and expand programs for nurse practitioners and nurse midwives. This section supports one of the faster growing specialties in nursing. Nurse practitioners and midwives practice in underserved areas, in community and migrant health centers. Traineeships for both practitioners and midwives are continued. Section 822 (b) (3) of the PHS has been amended to allow for the inclusion of migrant and community health centers, the Indian Health Service, Native Hawaiian health centers and long-term care facilities certified under title XVIII or XIX of the Social Security Act in addition to public health care facilities as eligible facilities where a traineeship recipient may fulfill their service obligation. It is the Committee's intent that the areas eligible for payback be as wide as possible since nurse practitioners and midwives provide healthcare to the underserved population in most, if not all, practice settings.

Recognizing the important role that nurse practitioners and widwives play in providing good quality care to underserved and other communities, the Committee has authorized $19 million in fiscal year 1989, $20 million in fiscal year 1990 and $21 million in fiscal year 1991.

NURSING SHORTAGE RELIEF PROGRAMS

The Committee is aware of the several factors influencing the current shortage of nurses. Of these factors, increased salaries to attract students into nursing, enhanced efforts to recruit students into nursing programs, and improved working conditions in hospitals, long-term care and other health care facilities are of critical importance. Two of these factors are addressed by S. 2231, which adds new authority to the current Title VIII to support long-term care nursing demonstrations and nurse recruitment centers.

S. 2231 provides for grants and contracts with public and nonprofit entities to develop, establish and operate five regional nurse

recruitment centers. These centers would target individuals between the ages of 12 and 14, high school students, and college students who have yet to declare a major of study.

A new program for long-term care nursing practice demonstrations is also established. The Committee recognizes the importance of improving the working environment for nurses in long-term care facilities if staff vacancies are to be filled. The legislation stipulates that contracts can be made for such models with public and nonprofit private collegiate schools of nursing. Collegiate schools of nursing are able to provide faculty which have joint appointments and advance degrees in clinical specialties such as case management.

The Committee has provided $2.5, $3.0 and $3.5 million for fiscal years 1989 through 1991 for the long-term care nursing practice demonstrations, and the same amounts for the nurse recruitment centers. The Committee encourages the Secretary to explore other ways the private sector and federal government may positively influence the working conditions of nurses, and increase enrollments in nursing programs. The Secretary may choose to utilize the expertise of the Commission on Nursing, appointed in 1987, in developing these strategies.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

The Committee continues to support graduate education for nurses, and recognizes the important role that nurse administrators, educators and researchers play in nursing education and the health care system as a whole. Financial support for nurses pursuing graduate degrees and training in nursing speciality areas is obviously required. Federal dollars allocated for advanced education for nurses represent a good investment in the overall quality of the nursing professions and in the quality of care received by all Americans.

This section has been expanded to include a provision to support traineeships for nurses pursuing graduate degrees in other disciplines. This provision will allow nurses to pursue graduate studies—law, psychology, public health, business administration, public policy—in other disciplines in order to positively influence the health care system on behalf of their nursing colleagues. This provision contains a payback requirement which demands full-time service with or without compensation, for a period equal to the period which the recipient receives such traineeship. Sites eligible for the service payback are similar to those for the nurse practitioner and nurse midwife programs, and include health manpower shortage areas, long term care facilities, community and migrant health centers, the Indian Health Service, a Native Hawaiian health center, or public health care facility.

To support traineeships for the advanced education of nurses, the Committee has authorized $18 million for fiscal year 1989, $19 million for fiscal year 1990, and $20 million for fiscal year 1991. To support traineeships for nurses pursuing graduate degrees outside of nursing, the Committee has authorized $1.1 million for each of the fiscal years 1989 through 1991.

NURSE ANESTHETISTS

S. 2231 expands on the existing section 831 to include additional funding for support of nurse anesthetist projects to improve, plan, develop, and operate programs for the education of nurse anesthetists. Recognizing the important role nurse anesthetists fulfill in underserved areas, especially rural areas, the Committee supports additional funding for the development of new training programs.

Recognizing the importance of nurse anesthetist training programs, the Committee has increased the authority to $1.8 million for each of the fiscal years 1989 to 1991.

SCHOLARSHIPS FOR UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES

Federal support of nurse education has been an important method of increasing the supply of nurses. Much of the reason for the current shortage is the decline in undergraduate admissions to nursing schools. To address this decline, S. 2231 includes a new provision initiating scholarships specifically for undergraduate students with an emphasis on assisting individuals from disadvantaged backgrounds. The Committee intends that students enrolled in baccalaureate [BSN], registered nurse [RN], associate [AD], and license practical nurse [LPN] programs will be eligible for scholarships provided under this section. These scholarships will provide the needed support to attract young people into the nursing profession.

The Committee has authorized $10 million for fiscal year 1989, $11 million for fiscal year 1990, and $12 million for fiscal year 1991.

LOAN PROVISIONS

Section 836(b)(1)(C) has been changed from "of exceptional financial need" to "in need" (as defined by regulation of the Secretary) in order to expand availability of loan funds to students which were previously too restrictive. This revision makes the requirements for nursing student loans consistent with other student loan programs administered by the Departments of Education and Health and Human Services.

V. Committee Action

S. 2231 was considered by the Committee on June 22, 1988, and reported favorably without amendment by unanimous vote.

VI. Cost Estimate

U.S. Congress,
Congressional Budget Office,
Washington, DC, June 28, 1988.

Hon. Edward M. Kennedy,
Chairman, Committee on Labor and Human Resources,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget office has prepared the attached cost estimate for S. 2231, the Nurse Education

Reauthorization Act of 1988, as ordered reported by the Senate Committee on Labor and Human Resources on June 22, 1988.

If you wish further details on this estimate, please call me or have your staff contact Lori Housman (226–2820).

Sincerely,

JAMES L. BLUM, *Acting Director.*

Attachment.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 2231.
2. Bill title: Nurse Education Reauthorization Act of 1988.
3. Bill status: As ordered reported from the Senate Committee on Labor and Human Resources on June 22, 1988.
4. Bill purpose: To amend Title VIII of the Public Health Service Act to reauthorize nurse education programs, and for other purposes.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

Authorization levels	1989	1990	1991	1992	1993
Special training projects	15.0	16.0	17.0	.....	.....
Special demonstration projects	4.2	4.7	5.2	.....	.....
Advanced education	19.5	20.5	21.5	.....	.....
Practitioner and midwife programs	19.0	20.0	21.0	.....	.....
Nursing shortage relief program	2.5	3.0	3.5	.....	.....
Nurse recruitment centers	2.5	3.0	3.5	.....	.....
Assistance to graduate nursing students	18.0	19.0	20.0	.....	.....
Assistance to nursing schools	1.1	1.1	1.1	.....	.....
Graduate traineeships	1.0	1.0	1.0	.....	.....
Nurse anesthetists	1.8	1.8	1.8	.....	.....
Undergraduate nursing scholarships	10.0	11.0	12.0	.....	.....
Total authorization level	94.6	101.1	107.6	.....	.....
Estimated total outlays	28.4	75.7	97.8	73.6	23.4

The cost of this bill would fall within budget function 550.

Basis of estimate: S. 2231 would reauthorize the nurse education programs for both undergraduate and graduate nursing students. The bill would also create a nursing shortage relief demonstration program to increase the recruitment and retention of nurses for long term care, home health care systems, and nursing homes. Nurse recruitment centers would also be established to recruit individuals to enter nursing education programs.

All of the authorization levels are stated in the bill. The CBO assumes that all authorizations are fully appropriated at the beginning of each fiscal year. Outlays are estimated using spendout rates computed by DBO on the basis of recent program data.

6. Estimated cost to State and local government. None.
7. Estimate comparison: None.
8. Previous CBO estimate: None.
9. Estimate prepared by: Lori Housman.
10. Estimate approved by: (James L. Blum, Assistant Director for Budget Analysis).

VII. Regulatory Impact Statement

The Committee has determined that there will be minimal or no increase in the regulatory burden of paperwork as a direct result of this bill.

VIII. Section-by-Section Analysis

The bill provides that the Act may be cited as the "Nurse Education Reauthorization Act of 1988."

Title I—Special Projects

SPECIAL PROJECT GRANTS AND CONTRACTS

Section 101(a) of the bill amends section 820 of the Act—Special Grants and Contracts. It amends subsection (a)(1)—projects for increased nursing education opportunities for individuals from disadvantaged backgrounds—to include support for faculty development directed at improving the retention of such individuals on nursing faculties. It amends subsection (a)(5)—projects for increasing the supply or improving the distribution of nursing personnel—to include support for promotion of occupational health care. Section 101(a) also amends subsection (a)(6) of section 820 to broaden the authority for projects to upgrade skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel. As amended, projects will give priority to programs providing such personnel a rapid transition to undergraduate nursing degrees. Such projects will also develop curricula for registered nurses or individuals with baccalaureate degrees in fields other than nursing to obtain a nursing baccalaureate or masters degree.

Section 101(b) of the bill amends section 820(d) of the Act to authorize appropriations for section 820(a)(1) through (6) of $15 million for fiscal year 1989, $16 million for fiscal year 1990, and $17 million for fiscal year 1991. For subsection (7) through (9) of section 820, it authorizes appropriations of $4.2 million in fiscal year 1989, $4.7 million in fiscal year 1990, and $5.2 million in fiscal year 1991.

ADVANCED NURSE EDUCATION

Section 102 of the bill amends section 821 of the Act—Advanced Nurse Education. Subsection (a) authorizes a priority under this authority for programs with innovative curriculum that permit individuals with registered nursing degrees to rapidly achieve advanced degrees. Section 102(b) authorizes appropriations under this authority of $19.5 million in fiscal year 1989, $20.5 million in fiscal year 1990, and $21.5 million in fiscal year 1991.

NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS

Section 103 of the bill amends section 822 of the Act—Nurse Practitioner and Nurse Midwife Programs. Subsection (a) amends the minimum enrollment provision in subsection (a)(2)(ii) of section 822 to increase from 6 to 8 the required minimum number of enrolled full-time equivalent students for a program receiving support under this authority. Subsection (b) of section 103 expands the

options for service in the service obligation provision in subsection (b)(3) to include an Indian Health Service or Native Hawaiian health center, or long-term care facility certified under Medicare or Medicaid, a migrant health center, a community health center as places where a traineeship recipient under this authority can practice in order to fulfill the required service obligation. Section 103(c) amends subsection (c) of section 822 to require that institutions receiving support for establishing and operating traineeships under this authority comply with the same guidelines regarding length of program, clinical practice and classroom instruction, and enrollment that are required of institutions operating training program under this authority. Section 103(d) authorizes appropriations for section 822 of $19 million in fiscal year 1989, $20 million in fiscal year 1990, and $21 million in fiscal year 1991.

NURSING SHORTAGE RELIEF PROGRAMS

Section 104 of the bill adds a new section 823 to the Act—Nursing Shortage Relief Programs. Section 823 as authorized includes two new authorities—Long-Term Care Nursing Practice Demonstration and Nurse Recruitment Centers.

LONG-TERM CARE NURSING PRACTICE DEMONSTRATION

Section 823(a) of the Act as added by the bill authorizes appropriations of $2.5 million in fiscal year 1989, $3 million in fiscal year 1990, and $3.5 million in fiscal year 1991 for grants to and contracts with collegiate nursing schools for projects to demonstrate and evaluate innovative nursing practice models concerning the provision of long-term managed health care services and health care services in the home or the provision of health care services in long-term care facilities. Such models shall be designed to increase recruitment and retention of nurses to provide nursing care for individuals needing long-term care and to improve nursing care in home health care systems and nursing homes.

NURSE RECRUITMENT CENTERS

Section 823(b) of the Act as added by the bill authorizes appropriations of $2.5 million in fiscal year 1989, $3 million in fiscal year 1990, and $3.5 million in fiscal year 1991 for grants and contracts to establish from one to five model regional professional nurse recruitment centers. The Secretary shall ensure that centers developed, established, and operated under the authority include centers in rural areas.

Each center developed, established, or operated with a grant or contract under this authority shall:

(A) conduct nursing recruitment programs directed toward individuals between the ages of 12 and 14, individuals enrolled in high schools, individuals enrolled in colleges and universities who have not declared a major field of study, and adults who are not in school and who may desire to enter nursing;

(B) develop and compile resource materials concerning professional opportunities in nursing, and disseminate them to appropriate individuals and groups and the print and broadcast media;

(C) identify potential applicants for nursing education programs and provide information to them on the role of the nurse and nursing education programs; and

(D) promote collaboration among organizations and assist individuals and organizations to establish mentor relationships between professional nurses and potential applicants for nursing education programs.

No grant may be made or contract entered into under this authority unless an application is submitted to the Secretary at such time, in such form, and containing such information as the Secretary may prescribe.

TITLE II—ASSISTANCE TO NURSING STUDENTS

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

Section 201 of the bill amends section 830 of the Act—Traineeships for Advanced Education of Professional Nurses. It adds a new subsection (c) to section 830 to authorize grants and contracts to cover the costs of traineeships for nurses pursuing graduate degrees in other disciplines. Payments for such traineeships shall be limited to amounts necessary to cover costs of tuition, fees, and other direct educational costs. A traineeship under this authority shall not be awarded unless the recipient enters into a commitment to provide full-time service for a period equal to one month for each month for which the recipient receives such a traineeship in a health manpower shortage area, a long-term care facility certified under Medicare or Medicaid, a community health center, a migrant health center, the Indian Health Service, a Native Hawaiian health center, or a public health care facility. If an individual who received a traineeship under this authority fails to complete a service obligation, the individual shall be liable for the payment of the amount of the traineeship plus interest. When an individual who received such a traineeship is academically dismissed or voluntarily terminates academic training, the individual shall be liable for repayment to the Federal government. Any amount that the United States is entitled to recover under this authority shall be paid to the United States within a 3-year period. The Secretary shall provide for the waiver or suspension of any service obligation applicable to an individual under this authority whenever compliance is impossible or would involve extreme hardship and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

Section 201 of the bill authorizes appropriations under section 830 of the Act through fiscal year 1991. For grants under subsection (a) of section 830, the bill authorizes appropriations of $18 million in fiscal year 1989, $19 million in fiscal year 1990, and $20 million in fiscal year 1991. For grants under subsection (b), the bill authorizes appropriations of $1.1 million for each of the 3 years. For subsection (c) as added by this bill, the bill authorizes appropriations of $1 million for each of the 3 years.

NURSE ANESTHETISTS

Section 202 of the bill amends section 831 of the Act—Nurse Anesthetists—to authorize grants to public and private nonprofit institutions to cover the costs of projects to improve, plan, develop, and operate programs for the education of nurse anesthetists that are accredited by an entity or entities designated by the Secretary of Education. The bill authorizes appropriations for this authority of $1.8 million for each of FY 1989 through 1991.

SCHOLARSHIPS FOR UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES

Section 203 of the bill adds a new section 832 to the Act—Scholarships for Undergraduate Education of Professional Nurses. This section authorizes appropriations of $10 million in fiscal year 1989, $11 million in FY 1990, and $12 million in fiscal year 1991, for grants to accredited schools of nursing for scholarships to full-time undergraduate students in financial need. The total scholarship award to a student each year shall not exceed tuition and fees for the year. Priority in awarding scholarships shall be given to individuals of disadvantaged backgrounds. Payments to institutions under this authority may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Payments may be used only for scholarships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees.

LOAN PROVISIONS

Section 204 of the bill amends section 836(b) of the Act—Loan Provisions—by striking the words "of exceptional financial" to provide that a loan may be made to a student who is in need.

DISTRIBUTION OF ASSETS FROM LOAN FUNDS

Section 205 of the bill amends section 839 of the Act to extend from December 31, 1991, to December 31, 1994, the provisions concerning distribution of assets in the nursing student loan revolving fund.

IX. Changes in Existing Law

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman.

Public Health Service Act

* * * * * * *

TITLE VIII—NURSE EDUCATION

PART A—SPECIAL PROJECTS

SPECIAL PROJECT GRANTS AND CONTRACTS

SEC. 820. (a) The Secretary may make grants to public and nonprofit private schools of nursing and other public or nonprofit private entities, and enter into contracts with any public or private entity, to meet the costs of special projects to—

(1) increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, by—

(A) identifying, recruiting, and selecting such individuals,

(B) facilitating the entry of such individuals into schools of nursing,

(C) providing counseling or other services designed to assist such individuals to complete successfully their nursing education,

(D) providing, for a period prior to the entry of such individuals into the regular course of education at a school of nursing, preliminary education designed to assist them to complete successfully such regular course of education,

(E) paying such stipends (including alowances for travel and dependents) as the Secretary may determine for such individuals for any period of nursing education, [and]

(F) publicizing, especially to licensed vocational or practical nurses, existing sources of financial aid available to persons enrolled in schools of nursing or who are undertaking training necessary to qualify them to enroll in such school; *and*

(G) provide faculty development directed at improving the ability of faculty to facilitate retention of such individuals;

(2) provide continuing education for nurses;

(3) provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession;

(4) demonstrate improved geriatric training in preventive care, acute care, and long-term care (including home health care and institutional care);

(5) help to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel (including nursing personnel who are bilingual) needed to meet the health needs of the Nation, including the need to increase the availability of personal health services [and the need to promote preventive health care], *the need to promote preventive health care, and the need to promote occupational health care;*

[(6) provide training and education to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other professional nursing personnel;]

(6) provide training and education—

(A) to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional

nursing personnel with priority given to rapid transition programs towards achievement of undergraduate nursing degrees; and

(B) to develop curricula for the achievement of baccalaureate degrees in nursing or masters degrees in nursing by registered nurses or individuals with baccalaureate degrees in other fields;

(7) demonstrate clinical nurse education programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities; and ambulatory care facilities;

(8) demonstrate methods to improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or

(9) demonstrate methods to encourage nursing graduates to practice in health manpower shortage areas (designated under section 332) in order to improve the specialty and geographical distribution of nurses in the United States.

Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

(b) The Secretary may, with the advice of the National Advisory Council on Nurse Training, provide assistance to the heads of other departments and agencies of the Government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurse training programs.

(c) No grant or contract may be made under this section unless an application therefor has been submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training. Such an application shall provide for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section.

(d)(1) [For payments under grants and contracts under paragraphs (1) through (6) of subsection (a), there are authorized to be appropriated $9,500,000 for the fiscal year ending September 30, 1986, $9,500,000 for the fiscal year ending September 30, 1987, and $9,500,000 for the fiscal year ending September 30, 1988.] *For payments under grants and contracts under paragraphs (1) through (6) of subsection (a), there are authorized to be appropriated $15,000,000 for fiscal year 1989, $16,000,000 for fiscal year 1990, and $17,000,000 for fiscal year 1991.* Of the funds appropriated under this paragraph for any fiscal year beginning after September 30, 1985, not less than 20 percent of the funds shall be obligated for payments under grants and contracts for special projects described in subsection (a)(1), not less than 20 percent of the funds shall be obligated for payments under grants and contracts for special projects described in subsection (a)(4), and not less than 10 percent of the funds shall be obligated for payments under grants and contracts for special projects described in subsection (a)(5).

(2) [For payments under grants and contracts under paragraphs (7), (8), and (9) of subsection (a), there are authorized to be appropriated $2,700,000 for the fiscal year ending September 30, 1986,

$2,700,000 for the fiscal year ending September 30, 1987, and $2,700,000 for the fiscal year ending September 30, 1988.] *For payments under grants and contracts under paragraphs (7), (8), and (9) of subsection (a), there are authorized to be appropriated $4,200,000 in fiscal year 1989, $4,700,000 in fiscal year 1990, and $5,200,000 in fiscal year 1991.* In making grants and entering into contracts with amounts appropriated under this paragraph, the Secretary shall give priority to applications for grants and contracts under paragraph (8) of subsection (a).

ADVANCED NURSE EDUCATION

SEC. 821. (a) The Secretary may make grants to and enter into contracts with public and nonprofit private collegiate schools of nursing to meet the costs of projects to—

(1) plan, develop, and operate,

(2) significantly expand, or

(3) maintain,

programs which lead to masters' and doctoral degrees and which prepare nurses to serve as nurse educators, administrators, or researchers or to serve in clinical nurse specialties determined by the Secretary to require advanced education. In making grants and entering into contracts under this section, the Secretary shall give [priority in] *priority to (A)* geriatric and gerontological nursing *and (B) programs with innovative curriculum that permit individuals with registered nursing degrees to rapidly achieve advanced degrees.*

[(b) For payments under grants and contracts under this section, there are authorized to be appropriated $16,500,000 for the fiscal year ending September 30, 1986, $17,000,000 for the fiscal year ending September 30, 1987, $17,500,000 for the fiscal year ending September 30, 1988.]

(b) For payments under grants and contracts under this section, there are authorized to be appropriated $19,500,000 for fiscal year 1989, $20,500,000 for fiscal year 1990, and $21,500,000 for fiscal year 1991.

NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS

SEC. 822 (a)(1) The Secretary may make grants to and enter into contracts with public or nonprofit private schools of nursing and public health, public or nonprofit private schools of medicine which received grants or contracts under this subsection prior to October 1, 1985, public or nonprofit private hospitals, and other public or nonprofit private entities to meet the cost of projects to—

(A) plan, develop, and operate,

(B) expand, or

(C) maintain

programs for the training of nurse practitioners and nurse midwives. The Secretary shall give special consideration to applications for grants or contracts for programs for the training of nurse practitioners and nurse midwives who will practice in health manpower shortage areas (designated under section 332) and for the education of nurse practitioners which emphasize education respecting the special problems of geriatric patients (particularly problems in the

delivery of preventive care, acute care, and long-term care (including home and health care and institutional care) to such patients) and education to meet the particular needs of nursing home patients and patients who are confined to their homes.

(2)(A) For purposes of this section, the term "programs for the education of nurse practitioners and nurse midwives" means educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) which meet guidelines prescribed by the Secretary in accordance with subparagraph (B) and which have as their objective the education of nurses (including pediatric and geriatric nurses) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities (where appropriate), and other health care institutions.

(B) After consultation with appropriate educational organizations and professional nursing and medical organizations, the Secretary shall prescribe guidelines for programs for the education of nurse practitioners and nurse midwives. Such guidelines shall, as a minimum, require that such a program—

(i) extend for at least one academic year and consist of—

(I) supervised clinical practice, and

(II) at least four months (in the aggregate) of classroom instruction,

directed toward preparing nurses to deliver primary health care; and

(ii) have an enrollment of not [less than eight] *less than six full-time equivalent* students.

(b)(1) The Secretary may make grants to and enter into contracts with schools of nursing and public health, schools of medicine which received grants or contracts under this subsection prior to October 1, 1985, public or nonprofit private hospitals, and other nonprofit entities to establish and operate traineeship programs to train nurse practitioners and nurse midwives. In considering applications for a grant or contract under this subsection, the Secretary shall give special consideration to applications for traineeships to train individuals who are residents of health manpower shortage areas designated under section 332.

(2) Traineeships funded under this subsection shall include 100 percent of the costs of tuition, reasonable living and moving expenses (including stipends), books, fees, and necessary transportation.

(3) A traineeship funded under this subsection shall not be awarded unless the recipient enters into a commitment with the Secretary to practice as a nurse practitioner or nurse midwife in a health manpower shortage area (designated under section 332) *Indian Health Service or a Native Hawaiian health center* [or in a public health care facility], *a public health care facility, a long-term care facility certified under title XVIII of XIX of the Social Security Act (42 U.S.C. 1395 et seq.), a migrant health center (as defined in section 329(a)(1)), or a community health center (as defined in section 330(a))* for a period equal to one month for each month for which the recipient receives such a traineeship.

(4)(A) If, for any reason, an individual who received a traineeship under paragraph (1) fails to complete a service obligation under paragraph (3), such individual shall be liable for the payment of an amount equal to the cost of tuition and other education expenses and other payments paid under the traineeship, plus interest at the maximum legal prevailing rate.

(B) When an individual who received a traineeship is academically dismissed or voluntarily terminates academic training, such individual shall be liable for repayment to the Government for an amount equal to the cost of tuition and other educational expenses paid to or for such individual from Federal funds plus any other payments which were received under the traineeship.

(C) Any amount which the United States is entitled to recover under subparagraph (A) or (B) shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States.

(D) The Secretary shall by regulation provide for the waiver or suspension of any obligation under subparagraph (A) or (B) applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

(c) No grant may be made or contract entered into for a project to plan, develop, and operate a program *under subsection (a) or (b)* for the education of nurse practitioners and nurse midwives unless this application for the grant or contract contains assurances satisfactory to the Secretary that the program will upon its development meet the guidelines which are in effect under subsection (a)(2)(B); and no grant may be made or contract entered into for a project to expand or maintain such a program unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program meets the guidelines which are in effect under such subsection.

[(d) For payments under grants and contracts under this section, there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1986, $12,000,000 for the fiscal year ending September 30, 1987, and $12,000,000 for the fiscal year ending September 30, 1988.]

(d) For payments under grants and contracts under subsections (a) through (c), there are authorized to be appropriated $19,000,000 for fiscal year 1989, $20,000,000 for fiscal year 1990, and $21,000,000 for fiscal year 1991.

NURSING SHORTAGE RELIEF PROGRAMS

SEC. 823. (a) LONG-TERM CARE NURSING PRACTICE DEMONSTRATION.—

(1) IN GENERAL.—The Secretary shall make grants to or enter into contracts with public and nonprofit private collegiate schools of nursing for projects to demonstrate and evaluate innovative nursing practice models with respect to the provision of long-term managed health care services and health care services in the home or the provision of health care services in long-term care facilities. Models demonstrated and evaluated with

grants and contracts under this subsection shall be designed to increase the recruitment and retention of nurses to provide nursing care for individuals needing long-term care and to improve nursing care in home health care systems and nursing homes.

(2) AUTHORIZATION.—For grants and contracts under this subsection, there are authorized to be appropriated $2,500,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $3,500,000 for fiscal year 1991.

(b) Nurse Recruitment Centers.—

(1) IN GENERAL.—The Secretary shall make grants to and enter into contracts with public and nonprofit private entities to develop, establish, and operate at least one and not more than five regional model professional nurse recruitment centers for the purpose of recruiting individuals to enter education programs to train professional nurses. In making grants and entering into contracts under this subsection, the Secretary shall ensure that centers developed, established, and operated under this subsection include centers in rural areas.

(2) DUTIES.—Each center developed, established, or operated with a grant or a contract under this subsection shall—

(A) conduct nursing recruitment programs directed towards—

(i) individuals between the ages of 12 and 14 years of age;

(ii) individuals who are enrolled in high schools;

(iii) individuals enrolled in colleges and universities who have not declared a major field of study; and

(iv) adults who are not in school and who may desire to enter nursing;

(B) develop and compile resource materials concerning professional opportunities in nursing, and disseminate such materials to appropriate individuals and groups, such as community and professional organizations, hospitals, career and guidance counselors in educational institutions, and the print and boradcast media;

(C) identify potential applicants for nursing education programs and provide information to such potential applicants on the role of the nurse and nursing education programs; and

(D) promote collaboration among organizations and assist individuals and organizations to establish mentor relationships between professional nurses and potential applicants for nursing education programs.

(3) AUTHORIZATION.—For grants and contracts under this subsection, there are authorized to be appropriated $2,500,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $3,500,000 for fiscal year 1991.

(c) APPLICATION REQUIREMENTS.—No grant may be made and no contract may be entered into under this section unless an application therefor is submitted to the Secretary at such time, in such form, and containing such information as the Secretary may prescribe.

PART B—ASSISTANCE TO NURSING STUDENTS

Subpart I—Traineeships

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

SEC. 830. (a)(1)(A) The Secretary may make grants to public or nonprofit private schools of nursing and public health, public or nonprofit private hospitals, and other public or nonprofit private entities to cover the cost of traineeships for nurses in masters' degree and doctoral degree programs in order to educate such nurses to—

(i) serve in and prepare for practice as nurse practitioners,

(ii) serve in and prepare for practice as nurse administrators, nurse educators, and nurse researchers, or

(iii) serve in and prepare for practice in other professional nursing specialties determined by the Secretary to require advanced education.

(B) The Secretary may make grants to public and private nonprofit schools of nursing and appropriate public and private nonprofit entities to cover the cost of traineeships to educate nurses to serve and prepare for practice as nurse midwives.

(2) In making grants for traineeships under this subsection, the Secretary shall give special consideration to applications for traineeship programs which conform to the guidelines established by the Secretary under section 822(a)(2)(B).

(3) Payments to institutions under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees, and a stipend and allowances (including travel and subsistence expenses) for the trainees.

(b) The Secretary may make grants to public or private nonprofit schools of nursing to cover the costs of post-baccalaureate fellowships for faculty in such schools to enable such faculty to—

(1) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature infants, physically and mentally disabled individuals, and ethnic and minority groups;

(2) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, and disease prevention; and

(3) address other areas of nursing practice considered by the Secretary to require additional study.

[(c)(1) There are authorized to be appropriated for the purposes of subsection (a) $11,500,000 for the fiscal year ending September 30, 1986, $12,250,000 for the fiscal year ending September 30, 1987, and $13,000,000 for the fiscal year ending September 30, 1988. Priority in the award of traineeships under subsection (a)(1)(A)(i) shall go to nurse midwife trainees.]

(c)(1) The Secretary may make grants to and enter into contracts with public and nonprofit schools of nursing and other public and

private entities to cover the cost of traineeships for nurses pursuing graduate degrees in other disciplines.

[(2) There are authorized to be appropriated for the purposes of subsection (b) $1,100,000 for the fiscal year ending September 30, 1986, $1,100,000 for the fiscal year ending September 30, 1987, and $1,100,000 for the fiscal year ending September 30, 1988.]

(2) Payments under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition, fees, and other direct educational costs.

(3) A traineeship funded under this subsection shall not be awarded unless the recipient enters into a commitment with the Secretary to provide full-time service with or without compensation, for a period equal to 1 month for each month for which the recipient receives such a traineeship, in—

(A) a health manpower shortage area (designated under section 332);

(B) a long-term care facility certified under title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq.);

(C) a community health center (as defined in section 330(a));

(D) a migrant health center (as defined in section 329(a)(1));

(E) the Indian Health Service;

(F) a Native Hawaiian health center; or

(G) a public health care facility.

(4)(A) If, for any reason, an individual who received a traineeship under paragraph (1) fails to complete a service obligation under paragraph (3), such individual shall be liable for the payment of an amount equal to the cost of tuition and other educational expenses and other payments paid under the traineeship, plus interest at the maximum legal prevailing rate.

(B) When an individual who received a traineeship is academically dismissed or voluntarily terminates academic training, such individual shall be liable for repayment to the Federal government for an amount equal to the cost of tuition and other educational expenses paid to or for such individual from Federal funds plus any other payments that were received under the traineeship.

(C) Any amount that the United States is entitled to recover under subparagraph (A) or (B) shall, within the 3-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States.

(D) The Secretary shall by regulation provide for the waiver or suspension of any obligation under subparagraph (A) or (B) applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

(d)(1) For the purposes of subsection (a), there are authorized to be appropriated $18,000,000 for fiscal year 1989, $19,000,000 for fiscal year 1990, and $20,000,000 for fiscal year 1991.

(2) For the purposes of subsection (b), there are authorized to be appropriated $1,100,000 for each of the fiscal years 1989 through 1991.

(3) For the purposes of subsection (c), there are authorized to be $1,000,000 for each of the fiscal years 1989 through 1991.

NURSE ANESTHETISTS

SEC. 831 (a)(1) The Secretary may make grants to public or private nonprofit institutions to cover the costs of traineeships for the training, in programs which meet such requirements as the Secretary shall by regulation prescribe and which are accredited by an entity or entities designated by the Secretary of Education, of licensed, registered nurses to be nurse anesthetists.

(2) Payments to institutions under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees, and a stipend and allowances (including travel and subsistence expenses) for the trainees.

(b) [The Secretary may make grants to public or private nonprofit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists which are accredited by an entity or entities designated by the Secretary of Education.] *The Secretary may make grants to public and private nonprofit institutions to cover the costs of projects to improve, plan, develop, and operate programs for the education of nurse anesthetists that are accredited by an entity or entities designated by the Secretary of Education.* Such grants shall include grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such nurse anesthetists to obtain advanced education relevant to their teaching functions.

(c) [For the purpose of making grants under this section, there are authorized to be appropriated $800,000 for the fiscal year ending September 30, 1986, $800,000 for the fiscal year ending September 30, 1987, and $800,000 for the fiscal year ending September 30, 1988] *For the purpose of making grants under this section, there are authorized to be appropriated $1,800,000 for each of the fiscal years 1989 through 1991.* Not more than 20 percent of the amount appropriated under this section for any fiscal year shall be obligated for grants under the second sentence of subsection (b).

SCHOLARSHIPS FOR UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES

SEC. 832. (a) IN GENERAL.—

(1) GRANTS.—The Secretary may make grants to accredited public or nonprofit private schools of nursing for scholarships to be awarded by the school to full time undergraduate students thereof who are in financial need.

(2) AMOUNT OF AWARD.—The total amounts of the scholarship award to a student for each year shall not exceed the cost of attendance (tuition and fees) for such year at the educational institution attended by the student (as determined by such educational institution).

(3) PRIORITY.—Priority in the awarding of scholarships shall be given to individuals from disadvantaged backgrounds.

(b) PAYMENTS.—Payments to institutions under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for scholarships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees.

(c) AUTHORIZATION.—For the purpose of making grants under this section, there are authorized to be appropriated $10,000,000 for fiscal year 1989, $11,000,000 for fiscal year 1990, and $12,000,000 for fiscal year 1991.

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Subpart II—Student Loans

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LOAN PROVISIONS

SEC. 836. (a) The total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by schools of nursing from loan funds established pursuant to agreements under this subpart may not exceed $2,500 in the case of any student. The aggregate of the loans for all years from such funds may not exceed $10,000 in the case of any student. In the granting of such loans, a school shall give preference to licensed practical nurses and to persons who enter as first-year students after enactment of this title.

(b) Loans from any such student loan fund by any school shall be made on such terms and conditions as the school may determine; subject, however, to such conditions, limitations, and requirements as the Secretary may prescribe (by regulation or in the agreement with the school) with a view to preventing impairment of the capital of such fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(1) such a loan may be made only to a student who (A) is in need of the amount of the loan to pursue a full-time or half-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree, or a diploma in nursing, or a graduate degree in nursing, (B) is capable, in the opinion of the school, or maintaining good standing in such course of study, and (C) if a student who will enroll in the school after June 30, 1986, is of [exceptional financial] *in* need (as defined by regulations of the Secretary);

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DISTRIBUTION OF ASSETS FROM LOAN FUNDS

SEC. 839. (a) After September 30, [1991] *1994*, and not later than December 31, [1991] *1994*, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 835(b) by each school as follows:

(1) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund at the close of September 30, [1991] *1994*, as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 835(b)(2)(B).

(2) The remainder of such balance shall be paid to the school.

(b) After December 31, [1991] *1994*, each school with which the Secretary has made an agreement under this subpart shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after September 30, [1991] *1994*, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement as was determined for the Secretary under subsection (a).

(c)(1) Within 90 days after the termination of any agreement with a school under section 835 or the termination in any other manner of a school's participation in the loan program under this subpart, such school shall pay to the Secretary from the balance of the loan fund of such school established under section 835, an amount which bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 835(b)(2)(B). The remainder of such balance shall be paid to the school.

(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.

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